

CMAQ EXPRESS
ALEXANDRIA, LOUISIANA
DECEMBER 31, 2011 AND 2010

CMAQ EXPRESS
ALEXANDRIA, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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May 25, 2012

The Board of Trustees
CMAP Express
Alexandria, Louisiana

Independent Auditor's Report

We have audited the accompanying statements of financial position of CMAP Express as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CMAP Express as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2012, on our consideration of CMAP Express' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on Page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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Heard, McElroy & Vestal, LLC

C MAP EXPRESS
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
<u>Assets:</u>		
Cash and cash equivalents	409,913	228,644
Grants receivable	275,000	425,124
Prepaid expenses	16,031	14,367
Property and equipment, net	<u>17,418</u>	<u>26,208</u>
Total assets	<u><u>718,362</u></u>	<u><u>694,343</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities:</u>		
Accounts payable	4,889	4,079
Due to The Rapides Foundation	<u>136,787</u>	<u>99,560</u>
Total liabilities	141,676	103,639
 <u>Net assets:</u>		
Unrestricted	480,544	590,704
Temporarily restricted	<u>96,142</u>	<u>-</u>
Total net assets	<u><u>576,686</u></u>	<u><u>590,704</u></u>
Total liabilities and net assets	<u><u>718,362</u></u>	<u><u>694,343</u></u>

The accompanying notes are an integral part of the financial statements.

CMAP EXPRESS

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Revenues, gains and other support:</u>			
Contributions	<u>766,654</u>	<u>237,500</u>	<u>1,004,154</u>
Total revenues, gains and other support	<u>766,654</u>	<u>237,500</u>	<u>1,004,154</u>
Net assets released from restrictions	<u>141,358</u>	<u>(141,358)</u>	<u>-</u>
Total revenues, gains and other support	<u>908,012</u>	<u>96,142</u>	<u>1,004,154</u>
<u>Program expenses:</u>			
Direct charitable activities	<u>971,912</u>	<u>-</u>	<u>971,912</u>
Total program expenses	<u>971,912</u>	<u>-</u>	<u>971,912</u>
<u>Administrative expenses</u>	<u>46,260</u>	<u>-</u>	<u>46,260</u>
<u>Change in net assets</u>	<u>(110,160)</u>	<u>96,142</u>	<u>(14,018)</u>
<u>Net assets at beginning of year</u>	<u>590,704</u>	<u>-</u>	<u>590,704</u>
<u>Net assets, end of year</u>	<u>480,544</u>	<u>96,142</u>	<u>576,686</u>

The accompanying notes are an integral part of the financial statements.

2010		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>470,297</u>	<u>-</u>	<u>470,297</u>
470,297	-	470,297
<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
475,297	(5,000)	470,297
<u>1,131,294</u>	<u>-</u>	<u>1,131,294</u>
1,131,294	-	1,131,294
<u>56,942</u>	<u>-</u>	<u>56,942</u>
(712,939)	(5,000)	(717,939)
<u>1,303,643</u>	<u>5,000</u>	<u>1,308,643</u>
<u>590,704</u>	<u>-</u>	<u>590,704</u>

CMAP EXPRESS

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	(14,018)	(717,939)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	8,790	9,709
Changes in operating assets and liabilities:		
Grants receivable	150,124	703,551
Prepaid expenses	(1,664)	(6,207)
Accounts payable	810	(2,124)
Due to The Rapides Foundation	<u>37,227</u>	<u>(132,456)</u>
Net cash provided (used) by operating activities	<u>181,269</u>	<u>(145,466)</u>
<u>Net increase (decrease) in cash and cash equivalents</u>	181,269	(145,466)
<u>Cash and cash equivalents at beginning of the year</u>	<u>228,644</u>	<u>374,110</u>
<u>Cash and cash equivalents at end of the year</u>	<u>409,913</u>	<u>228,644</u>

The accompanying notes are an integral part of the financial statements.

CMAP EXPRESS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

1. Nature of Business

On October 4, 2005, CMAP Express (the "Organization"), a Louisiana nonprofit corporation, was organized to carry on charitable and educational programs or activities that support or benefit The Rapides Foundation, a Louisiana nonprofit corporation. The Cenla Medication Access Program ("CMAP") provides chronic care prescription medications for people who cannot afford them. CMAP Express' goal is to ensure appropriate medication access and education, and also promote other preventive health practices among residents with limited incomes. CMAP Express opened a bulk donation central fill pharmacy in order to more effectively manage the process of getting manufacturers' free medication to eligible clients.

2. Summary of Significant Accounting Policies

- a. The financial statements of the Organization are prepared on the accrual basis, under which revenues are recorded when earned, and expenses are recorded when the liability is incurred.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the Board for specific purposes.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization, and/or by the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

- b. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions.
- c. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.
- d. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (Continued)

- e. For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.
- f. The Organization is a nonprofit organization and exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the financial statements, but the Organization is required to file an annual information tax return. The Organization is also required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it is a tax exempt entity. The Organization must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax exempt entity, the Organization must assess whether it has any tax positions associated with unrelated business income subject to income tax. The Organization does not expect its positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Organization's accounting records.

The Organization files U.S. federal Form 990 for informational purposes. The Organization's federal income tax returns for the tax years 2008 and beyond remain subject to examination by the Internal Revenue Service.

- g. Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method. Equipment and furniture are depreciated over an estimated useful life of five to seven years. The Organization capitalizes and depreciates fixed asset acquisitions of \$1,000 or more.
- h. The Rapides Foundation pays employees of CMAP Express then charges CMAP Express accordingly. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

3. Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of funds received for programs associated with the following as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Diet and physical exercise	38,581	-
Cancer screening	<u>57,561</u>	<u>-</u>
Total temporarily restricted net assets	<u>96,142</u>	<u>-</u>

4. Concentration of Credit Risk

At times throughout the year, the Foundation may maintain certain bank accounts in excess of federally insured limits. The risk is mitigated by maintaining deposits in only well capitalized financial institutions.

5. Property and Equipment

A summary of property and equipment follows:

	<u>2011</u>	<u>2010</u>
Furniture and equipment	66,299	66,299
<u>Less-accumulated depreciation</u>	<u>(48,881)</u>	<u>(40,091)</u>
	<u>17,418</u>	<u>26,208</u>

5. Property and Equipment (Continued)

Depreciation expense was \$8,790 and \$9,709 for the years ended December 31, 2011 and 2010, respectively.

6. Related Party

The Rapides Foundation is the sole member of CMAP Express and appoints the Board of Trustees. Amounts listed as "Due to The Rapides Foundation" consist primarily of payroll and rent. The Rapides Foundation pays employees of CMAP Express then charges CMAP Express accordingly. Related party balances with The Rapides Foundation consist of the following at December 31:

	<u>2011</u>	<u>2010</u>
Grants receivable	275,000	318,436
Contributions	812,500	202,800

7. Subsequent Events

In accordance with FASB Accounting Standards Codification Topic 740 "*Subsequent Events*," the Organization evaluated events and transactions that occurred after the balance sheet date but before the financial statements were made available for potential recognition or disclosure in the financial statements. The Organization evaluated such events through May 25, 2012, the date which the financial statements were available to be issued, and noted no subsequent events.

SUPPLEMENTARY INFORMATION

CMAP EXPRESS

SCHEDULES OF ADMINISTRATIVE EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Relating to unrestricted expenses:</u>		
Legal and audit	7,499	6,750
Telephone	1,440	1,645
Office supplies and expense	165	-
Professional dues	24	-
Depreciation	8,790	9,709
Salaries	22,117	30,048
Retirement benefit	2,212	3,005
Payroll taxes	1,681	2,290
Health insurance	1,205	576
HRA reimbursement	<u>1,127</u>	<u>2,919</u>
Total unrestricted expenses	<u>46,260</u>	<u>56,942</u>

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May 25, 2012

The Board of Trustees
CMAP Express
Alexandria, Louisiana

**Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

We have audited the basic financial statements of CMAP Express as of and for the year ended December 31, 2011, and have issued our report thereon dated May 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered CMAP Express' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CMAP Express' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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This report is intended solely for the information of management, the board of directors, others within the entity, the Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Heard, M^cElroy & Vistal, LLC

CMAP EXPRESS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2011

We have audited the financial statements of CMAP Express as of and for the year ended December 31, 2011, and have issued our report thereon dated May 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2011 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control – No material weaknesses were noted; no management letter was issued.

Compliance – No material noncompliance was noted.

b. Federal Awards – Not applicable.

Section II - Financial Statement Findings

No matters were reported.

CMAP EXPRESS
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

There were no findings for the year ended December 31, 2010.